



General Assembly

Amendment

January Session, 2009

LCO No. 7439

SB0066407439SD0

Offered by:

SEN. PRAGUE, 19th Dist.

SEN. SLOSSBERG, 14th Dist.

To: Subst. Senate Bill No. 664

File No. 243

Cal. No. 226

"AN ACT CONCERNING BILLING FOR ASSISTED LIVING SERVICES COVERED BY LONG-TERM CARE INSURANCE."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 19a-693 of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective July 1, 2009*):

5 As used in this section and sections 19a-694 to 19a-701, inclusive, as
6 amended by this act:

7 (1) "Activities of daily living" means activities or tasks that are
8 essential for a person's healthful and safe existence, including, but not
9 limited to, bathing, dressing, grooming, eating, meal preparation,
10 shopping, housekeeping, transfers, bowel and bladder care, laundry,
11 communication, self-administration of medication and ambulation.

12 (2) "Assisted living services" means nursing services and assistance
13 with activities of daily living provided to residents living within a

14 managed residential community having supportive services that
15 encourage persons primarily fifty-five years of age or older to maintain
16 a maximum level of independence.

17 (3) "Assisted living services agency" means an entity, licensed by the
18 Department of Public Health pursuant to chapter 368v that provides,
19 among other things, nursing services and assistance with activities of
20 daily living to a population that is chronic and stable.

21 (4) "Managed residential community" means a for-profit or not-for-
22 profit facility consisting of private residential units that provides a
23 managed group living environment consisting of housing and services
24 for persons who are primarily fifty-five years of age or older.
25 "Managed residential community" does not include any state-funded
26 congregate housing facilities.

27 (5) "Department" means the Department of Public Health.

28 (6) "Private residential unit" means a private living environment
29 designed for use and occupancy by a resident within a managed
30 residential community that includes a full bathroom and access to
31 facilities and equipment for the preparation and storage of food.

32 (7) "Resident" means a person residing in a private residential unit
33 of a managed residential community pursuant to the terms of a written
34 agreement for occupancy of such unit.

35 (8) "Assignment of benefits" means the transfer of the right to
36 receive payment due under a long-term care policy, as defined in
37 subsection (a) of section 38a-501, as amended by this act, by a resident
38 to a managed residential community or an assisted living services
39 agency.

40 (9) "Assignment of benefits election form" means a written
41 instrument by which a resident makes an assignment of benefits.

42 Sec. 2. Section 19a-694 of the general statutes is repealed and the
43 following is substituted in lieu thereof (*Effective July 1, 2009*):

44 (a) All managed residential communities operating in the state shall:

45 (1) Provide a written residency agreement to each resident in
46 accordance with section 19a-700, as amended by this act;

47 (2) Afford residents the ability to access services provided by an
48 assisted living services agency. Such services shall be provided in
49 accordance with a service plan developed in accordance with section
50 19a-699;

51 (3) Upon the request of a resident, arrange, in conjunction with the
52 assisted living services agency, for the provision of ancillary medical
53 services on behalf of a resident, including physician and dental
54 services, pharmacy services, restorative physical therapies, podiatry
55 services, hospice care and home health agency services, provided the
56 ancillary medical services are not administered by employees of the
57 managed residential community, unless the resident chooses to receive
58 such services;

59 (4) Provide a formally established security program for the
60 protection and safety of residents that is designed to protect residents
61 from intruders;

62 (5) Afford residents the rights and privileges guaranteed under title
63 47a;

64 (6) Comply with the provisions of subsection (c) of section 19-13-
65 D105 of the regulations of Connecticut state agencies; and

66 (7) Be subject to oversight and regulation by the Department of
67 Public Health.

68 (b) No managed residential community shall control or manage the
69 financial affairs or personal property of any resident, except as
70 provided for in subsection (c) of this section.

71 (c) (1) A resident who has a long-term care policy may elect to have
72 the managed residential community bill the insurer directly by

73 submitting an assignment of benefits election form executed by the
74 resident or the resident's legal representative to such managed
75 residential community. If the resident submits an assignment of
76 benefits election form pursuant to this subdivision, such managed
77 residential community shall submit such assignment of benefits
78 election form to the insurer and shall bill the insurer directly.

79 (2) If an insurer remits payment pursuant to a resident's assignment
80 of benefits under subdivision (1) of this subsection to a managed
81 residential community in excess of the cost for the resident's housing
82 and services provided by such managed residential community, such
83 managed residential community shall give such excess to such
84 resident.

85 Sec. 3. Section 19a-700 of the general statutes is repealed and the
86 following is substituted in lieu thereof (*Effective July 1, 2009*):

87 A managed residential community shall enter into a written
88 residency agreement with each resident that clearly sets forth the
89 rights and responsibilities of the resident and the managed residential
90 community, including the duties set forth in section 19a-562. The
91 residency agreement shall be set forth in plain language and printed in
92 not less than fourteen-point type. The residency agreement shall be
93 signed by the managed residential community's authorized agent and
94 by the resident, or the resident's legal representative, prior to the
95 resident taking possession of a private residential unit and shall
96 include, at a minimum:

97 (1) An itemization of assisted living services, transportation
98 services, recreation services and any other services and goods, lodging
99 and meals to be provided on behalf of the resident by the managed
100 residential community;

101 (2) A full and fair disclosure of all charges, fees, expenses and costs
102 to be borne by the resident;

103 (3) A schedule of payments and disclosure of all late fees or

104 potential penalties;

105 (4) The grievance procedure with respect to enforcement of the
106 terms of the residency agreement;

107 (5) The managed residential community's covenant to comply with
108 all municipal, state and federal laws and regulations regarding
109 consumer protection and protection from financial exploitation;

110 (6) The managed residential community's covenant to afford
111 residents all rights and privileges afforded under title 47a;

112 (7) The conditions under which the agreement can be terminated by
113 either party;

114 (8) Full disclosure of the rights and responsibilities of the resident
115 and the managed residential community in situations involving
116 serious deterioration in the health of the resident, hospitalization of the
117 resident or death of the resident, including a provision that specifies
118 that in the event that a resident of the community dies, the estate or
119 family of such resident shall only be responsible for further payment to
120 the community for a period of time not to exceed fifteen days
121 following the date of death of such resident as long as the private
122 residential unit formerly occupied by the resident has been vacated;
123 [and]

124 (9) Any adopted rules of the managed residential community
125 reasonably designed to promote the health, safety and welfare of
126 residents; and

127 (10) An assignment of benefits election form.

128 Sec. 4. Section 19a-699 of the general statutes is repealed and the
129 following is substituted in lieu thereof (*Effective July 1, 2009*):

130 (a) An assisted living services agency shall develop and maintain an
131 individualized service plan for any resident of a managed residential
132 community that receives assisted living services. Such agency shall

133 develop the individualized service plan after consultation with the
134 resident and following an assessment of the resident by a registered
135 nurse. The individualized service plan shall set forth in lay terms the
136 needs of the resident for assisted living services, the providers or
137 intended providers of needed services, the scope, type and frequency
138 of such services, an itemized cost of such services and any other
139 information that Department of Public Health may require. The
140 individualized service plan and any periodic revisions thereto shall be
141 confidential, in writing, signed by the resident, or the resident's legal
142 representative, and a representative of the assisted living services
143 agency and available for inspection by the resident and the
144 department. The assisted living services agency shall also provide the
145 resident or the resident's legal representative with an assignment of
146 benefits election form.

147 (b) An assisted living services agency shall maintain written policies
148 and procedures for the initial evaluation and regular, periodic
149 reassessment of the functional and health status and service
150 requirements of each resident who requires assisted living services.

151 (c) (1) A resident who has a long-term care policy may elect to have
152 the assisted living services agency bill the insurer directly by
153 submitting an assignment of benefits election form executed by the
154 resident or the resident's legal representative to such assisted living
155 services agency. If the resident submits an assignment of benefits
156 election form pursuant to this subdivision, such assisted living services
157 agency shall submit such assignment of benefits election form to the
158 insurer and shall bill the insurer directly.

159 (2) If an insurer remits payment pursuant to a resident's assignment
160 of benefits under subdivision (1) of this subsection to an assisted living
161 services agency in excess of the cost for the resident's housing and
162 services provided by such assisted living services agency, such assisted
163 living services agency shall give such excess to such resident.

164 Sec. 5. Subsection (a) of section 38a-501 of the general statutes is

165 repealed and the following is substituted in lieu thereof (*Effective July*
166 *1, 2009*):

167 (a) (1) As used in this section, "long-term care policy" means any
168 individual health insurance policy, delivered or issued for delivery to
169 any resident of this state on or after July 1, 1986, which is designed to
170 provide, within the terms and conditions of the policy, benefits on an
171 expense-incurred, indemnity or prepaid basis for necessary care or
172 treatment of an injury, illness or loss of functional capacity provided
173 by a certified or licensed health care provider in a setting other than an
174 acute care hospital, for at least one year after an elimination period
175 [(1)] (A) not to exceed one hundred days of confinement, or [(2)] (B) of
176 over one hundred days but not to exceed two years of confinement,
177 provided such period is covered by an irrevocable trust in an amount
178 estimated to be sufficient to furnish coverage to the grantor of the trust
179 for the duration of the elimination period. Such trust shall create an
180 unconditional duty to pay the full amount held in trust exclusively to
181 cover the costs of confinement during the elimination period, subject
182 only to taxes and any trustee's charges allowed by law. Payment shall
183 be made directly to the provider. The duty of the trustee may be
184 enforced by the state, the grantor or any person acting on behalf of the
185 grantor. A long-term care policy shall provide benefits for confinement
186 in a nursing home or confinement in the insured's own home or both.
187 Any additional benefits provided shall be related to long-term
188 treatment of an injury, illness or loss of functional capacity. "Long-term
189 care policy" shall not include any such policy which is offered
190 primarily to provide basic Medicare supplement coverage, basic
191 medical-surgical expense coverage, hospital confinement indemnity
192 coverage, major medical expense coverage, disability income
193 protection coverage, accident only coverage, specified accident
194 coverage or limited benefit health coverage.

195 (2) No insurance company, fraternal benefit society, hospital service
196 corporation, medical service corporation or health care center
197 delivering, issuing for delivery, renewing, continuing or amending any
198 long-term care policy in this state may refuse to honor an assignment

199 of benefits, as defined in section 19a-693, as amended by this act, made
200 by the insured. The insurer shall process any claim or bill submitted
201 pursuant to subsection (c) of section 19a-694, as amended by this act,
202 or subsection (c) of section 19a-699, as amended by this act, in
203 accordance with such insurer's claim practices and pay benefits due
204 under such policy directly to the managed residential community or
205 the assisted living services agency, as the case may be."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2009</i>	19a-693
Sec. 2	<i>July 1, 2009</i>	19a-694
Sec. 3	<i>July 1, 2009</i>	19a-700
Sec. 4	<i>July 1, 2009</i>	19a-699
Sec. 5	<i>July 1, 2009</i>	38a-501(a)